

Wordshop Benefits Update

August 2020

State benefits

- On 22 July, the government introduced a run-on of legacy benefits for those moving to Universal Credit, to provide them with extra support. This means if someone's existing claim of income-based Jobseeker's Allowance (JSA), income-related Employment and Support Allowance (ESA) or Income Support ends due to them applying for Universal Credit, they will now receive a new, additional payment, worth up to two weeks of their legacy award.

The one-time run-on payment does not need to be paid back and will be paid automatically to eligible claimants when they claim Universal Credit for the first time. It will not affect the amount of Universal Credit they receive. Run-on payments will also be made for other premiums claimants have been receiving prior to moving over to Universal Credit, including Enhanced Disability Premium, carer premium or ESA work-related activity component.

- As part of the Department for Work and Pension's response to COVID-19, the requirement to provide medical evidence to support claims to Employment and Support Allowance (ESA) and New Style Employment Support Allowance (NSESAs) was deferred. This requirement is now being reintroduced on a phased basis, and any new claims from 10 July 2020 for ESA and NSESAs must be supported by medical evidence (a fit note). For pre-existing claims before 10 July 2020, medical evidence will be introduced gradually, and individual claimants will be advised when they need to provide evidence.
- In March, the Department for Work and Pensions temporarily paused the recovery of overpayments for three months. The change meant that claimants saw an increase in the amount of money they received. The recommencement of debt recovery action started on 6 July.
- Face-to-face assessments that were suspended in March 2020 are to remain suspended but kept under review following a consideration of the latest public health guidance. As measures are taken across the country to ease restrictions, some review and reassessment activity, which was put on hold because of the coronavirus outbreak, will gradually resume, starting with those claims for Personal Independence Payment and Disability Living Allowance, which were already underway when this activity was suspended.

- The Video Relay Service (VRS), for deaf British Sign Language (BSL) users, is now available for people claiming Maternity Allowance and anyone accessing support from Child Maintenance Options and the Child Maintenance Service. It allows customers to make an inbound call to the Department for Work and Pensions via a British Sign Language interpreter using a video connection. There is no need for anyone to be in the same location and customers do not have to book the service in advance.
- Employers could be entitled to a one-off payment of £1,000 for each furloughed employee who remains continuously employed until 31 January 2021, if they have used the Coronavirus Job Retention Scheme (CJRS). The bonus provides additional support to retain employees. Employers will be able to make a claim from February 2021, full guidance on which will be available this autumn.
- During the coronavirus pandemic, State benefits were provided to record levels of claimants. Following this, the Chancellor has announced a Plan for Jobs which sees the number of frontline work coaches now being doubled to 27,000 by March 2021. Work coaches will support people looking for work, including helping them move into new sectors and making sure they access any additional support they need, including training and work experience. The Plan for Jobs also includes:
 - A new £2 billion Kickstart Scheme supporting young people in work aims to provide high quality, six-month placements from autumn this year. Funding for each job placement will cover 100% of the National Minimum Wage for 25 hours a week, with employers being able to top up this wage. The scheme will focus on young people who are on Universal Credit and at risk of long-term unemployment. Work coaches will work with young people to ensure they access the best support package to meet their needs. Organisations across the private, public and voluntary sectors will be able to apply to create high quality roles to be funded through this scheme.
 - An expanded Youth Offer to support 18 to 24 year olds includes a 13-week programme. Once completed, participants are encouraged to take up work-related training or an apprenticeship.
 - The Work and Health Programme in England and Wales is being expanded to provide personalised support for up to six months for those who have been unemployed for three months. Equivalent provision will also be put in place in Scotland.

- A new large-scale support offer targeted at those who are out of work for longer periods and in need of support.
- £150 million to boost the Flexible Support Fund, which allows jobcentres to put in place the right support for their community and increase capacity of the Rapid Response Service that can be deployed for large local redundancies. It provides funding directly to claimants and partners to address specific barriers preventing people from returning to work or provide training, including support to meet one-off needs, such as funding travel to interview costs, equipment or clothing to start employment or paying for replacement adult or child care to enable someone to undertake training, attend interviews or start work.
- The Chancellor's Plan for Jobs announcement included a number of other measures, including:
 - Businesses will be given £2,000 for each new apprentice they hire under the age of 25. This is in addition to the existing £1,000 payment the government already provides for new 16 to 18-year-old apprentices and those aged under 25 with an Education, Health and Care Plan.
 - A £111 million investment to triple the scale of traineeships in 2020-21 ensuring more young people have access to high quality training.
 - Over a quarter of a million more young people to benefit from an extra £32 million investment in the National Careers Service.

General

- From Saturday 1 August, over-75s are no longer automatically exempt from paying the £157.50 television licence fee unless they are in receipt of Pension Credit. The BBC intended to introduce the means-tested TV licence from 1 June but postponed it until 1 August because of the coronavirus. TV Licensing will start sending out 4.5 million 'payment invitation' letters in batches from 1 August, and households do not need to act until after they receive a letter. The fee can be paid in a lump sum or in monthly, fortnightly or weekly instalments, subject to payment method. You can pay by card, online or over the phone, or direct debit, cheque, postal order or by taking a debit card or cash to any PayPoint.
- The transition period following the UK's departure from the EU comes to an end on 31 December 2020. A major new public information campaign called 'The UK's new start: let's get going' aims to set out the actions businesses and individuals need to take to prepare for the end of the EU transition period. Adverts featuring a 'Check, Change, Go' strapline direct people and businesses to the checker tool at **gov.uk/transition** which identifies the steps people should take and encourages them to sign up for email updates.
- The Department for Transport has updated the latest travel guidance to remove the 'avoid public transport' message from outward-facing public communications. The only exception to this will be for areas under local lockdown. When using public transport in England, it is the law that passengers must wear a face covering. Failure to do so could lead to a fine of £100. If travelling from another UK nation, passengers must wear a face covering when entering England, regardless of the rules in the nation they are coming from.
- The Office of National Statistics (ONS) has published the latest employment figures from March – May 2020. They showed that 76.4% of people aged 16 to 64 were in paid work during March to May 2020. The unemployment rate was 3.9%, while the 16-64 economic inactivity rate (those who were neither working nor looking for work) was 20.4%.

- The Pension Schemes Bill progressed through Parliament in July. It includes measures to protect savers and the climate. One of the main elements of the Bill includes a mandate for pension schemes to adopt and report against the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The Bill will also require schemes to take the government's net zero targets into account, as well as the Paris Agreement goals of limiting the rise of average global temperatures, for the purposes of managing climate risk.